

Testimony of Mark Summers on behalf of Bridgeport Landing Development
To the Commerce Committee
March 8, 2011
In Support of HB 6526, An Act Concerning Brownfield Remediation and Development

My name is Mark Summers. I am the Project Coordinator for Bridgeport Landing Development, of 10 Middle Street, Bridgeport, Connecticut, the selected Master Developer for Steelpointe Harbor in Bridgeport. I am testifying today in support of HB 6526, An Act Concerning Brownfield Remediation and Development as an Economic Driver.

Steelpointe Harbor is a Brownfield revitalization project which will energize a blighted area of Bridgeport and provide new construction and permanent job creation. New tax generation (both Property and Sales Tax) is vitally important to both Bridgeport and the State of CT.

The Steelpointe Harbor redevelopment will be a mixed use project consisting of Commercial Retail, Office, Marina, Hotel and Residential uses. Ultimate build out of the project is anticipated to be about 2.7 million sq ft. and will create approximately 1,500 permanent direct jobs and up to 2,000 indirect jobs.

One of the most difficult aspects of getting this project started has been getting major tenants and co-developers comfortable with the Remediation plan and, in particular, the liability they might incur for someone else's past practices under CT Law. We are already in negotiations with a Major Anchor Retailer (a publicly traded company) for the site. This first tenant will be the critical ice breaker that will start the project. We have already approved a LOI with this tenant and they are proceeding to their Real Estate Committee (REC) in April to move the project forward. Their representatives have already warned us that once approved by REC the most difficult part of a full agreement will be the environmental concerns. Because they are a public company and as a large target, they will demand waivers of liability with respect to the environmental issues on their site as well as the impact the other parts of Steelpointe may have on their area or impact the ability of the rest of the project to succeed.

These concerns have been raised in preliminary negotiations with other interested Tenant s and Retailers and will continue to affect our ability to attract and secure partners in this project.

Of course it goes without saying that the cleaner and more protection from liability that we can demonstrate to investors and financial institutions the easier it is to secure financing to build Steelpointe. As I am sure you are aware, only the best deals are being financed today and no one is taking unnecessary risks. The additional assurances this bill will afford by exemption from the "Transfer Act" and providing a clean end to the liability with successful completion of RAP will significantly aid our ability to finance the vertical construction of Steelpointe.

Expedited permitting and reliable approval timeframes are extremely important to both the Master Developer and our Tenants and co-developers. We will have to make commitments to our Major Tenants to deliver them either a clean site or a finished building by certain deadlines. Permitting and approval delays are often unacceptable excuses to a major Retailer expecting to open for a specific season. They will require significant penalties if we don't deliver on time regardless of the reason. I believe this bill will help assure everyone that Permit and Approval delays won't be the norm. All that said, I would like to take a moment to express my thanks to all of the DEP staff who have been working with us on the Remedial requirements for Steelpointe and our initial permitting efforts. They all have been timely and more than cooperative; I strongly believe they understand the vital importance of this project to the City of Bridgeport and the State of CT. Notwithstanding their (DEP) primary responsibility to protect State resources they all are helping to expedite our requests and approvals.

The latest hurdle we have been trying to address is "chasing the contamination." Currently we are trying to determine by additional testing and characterization to what extent the historic contamination of Steelpointe may have spread off site. Of particular concern is the sediment of Bridgeport Harbor. As you can imagine chasing contamination across the Harbor could potentially stop this project dead in the Water. While DEP staff has been understanding and realistic in their approach with us they still have their hands tied by the current regulations. I feel this legislation should give your staff the ability to be reasonable in this matter without causing any further harm.

In Summary I believe this bill will help immensely to assure the success of the Steelpointe project and provide thousands of new jobs so desperately needed in the region as well as bringing new tax dollars to both the City of Bridgeport and State of Connecticut.

Thank you for your time and continued support.